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Holdings Inc. and Certain of Its Affiliates

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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		Chapter 11
In re:	:	
		Case No. 08-13555 (JMP)
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i>	:	
Debtors.	:	
_____	X	
LEHMAN BROTHERS SPECIAL FINANCING INC.	:	
Plaintiff,	:	Adversary Proceeding
		No. 10-03542 (JMP)
-against-	:	
U.S. BANK NATIONAL ASSOCIATION, BANK OF AMERICA NATIONAL ASSOCIATION, DEUTSCHE BANK TRUST COMPANY AMERICAS, THE BANK OF NEW YORK MELLON TRUST COMPANY NATIONAL ASSOCIATION, WELLS FARGO BANK NATIONAL ASSOCIATION, and DEFENDANTS IDENTIFIED ON SCHEDULE 1,		
	:	
Trustee Defendants,		
-and-		
AIRLIE CDO I, CORP., AIRLIE CDO I, LTD., AIRLIE LCDO I (AVIV LCDO 2006-3), CORP, AIRLIE LCDO I (AVIV LCDO 2006-3), LTD., AIRLIE LCDO II (PEBBLE CREEK 2007-1), CORP., AIRLIE LCDO II (PEBBLE CREEK 2007-1), LTD., AVIV LCDO 2006-1, CORP., AVIV LCDO 2006-1, LTD., AVIV LCDO 2006-2, CORP., AVIV LCDO 2006-2, LTD., BALBOA CDO I, CORP., BALBOA CDO I, LTD., BELLE HAVEN ABS CDO 2005- 1, LLC, BELLE HAVEN ABS CDO 2005-1, LTD., BELLE		

HAVEN ABS CDO 2006-1, LLC, BELLE HAVEN ABS CDO 2006-1, LTD., EXUM RIDGE CBO 2006-1, CORP., EXUM RIDGE CBO 2006-1, LTD., EXUM RIDGE CBO 2006-2, CORP., EXUM RIDGE CBO 2006-2, LTD., EXUM RIDGE CBO 2006-4, CORP., EXUM RIDGE CBO 2006-4, LTD., EXUM RIDGE CBO 2006-5, CORP., EXUM RIDGE CBO 2006-5, LTD., EXUM RIDGE CBO 2007-1, CORP., EXUM RIDGE CBO 2007-1, LTD., EXUM RIDGE CBO 2007-2, CORP., EXUM RIDGE CBO 2007-2, LTD., GEMSTONE CDO VI CORP., GEMSTONE CDO VI LTD., GREYSTONE CDO SERIES 2008-4 LLC, GREYSTONE CDO SPC, FOR THE ACCOUNT OF THE SERIES 2008-4 SEGREGATED PORTFOLIO, PEBBLE CREEK LCDO 2006-1, CORP., PEBBLE CREEK LCDO 2006-1, LTD., PEBBLE CREEK LCDO 2007-3, LLC, PEBBLE CREEK LCDO 2007-3, LTD., RACE POINT IV CLO, LTD., RESTRUCTURED ASSET CERTIFICATES WITH ENHANCED RETURNS, SERIES 2002-26 TRUST, RESTRUCTURED ASSET CERTIFICATES WITH ENHANCED RETURNS, SERIES 2006-18-C ABX-A06-1-I TRUST, RESTRUCTURED ASSET CERTIFICATES WITH ENHANCED RETURNS, SERIES 2006-18-C ABX-A06-1-II TRUST, RESTRUCTURED ASSET CERTIFICATES WITH ENHANCED RETURNS, SERIES 2006-18-C ABX-A06-1-III TRUST, RESTRUCTURED ASSET CERTIFICATES WITH ENHANCED RETURNS, SERIES 2006-18-C ABX-A06-2-I TRUST, RESTRUCTURED ASSET CERTIFICATES WITH ENHANCED RETURNS, SERIES 2006-18-C ABX-A06-2-II TRUST, RESTRUCTURED ASSET CERTIFICATES WITH ENHANCED RETURNS, SERIES 2006-18-C ABX-A06-2-III TRUST, RESTRUCTURED ASSET CERTIFICATES WITH ENHANCED RETURNS, SERIES 2006-20AT TRUST, SGS HY CREDIT FUND I (EXUM RIDGE CBO 2006-3), LTD., STOWE CDO LLC, STOWE CDO SPC, FOR THE ACCOUNT OF THE SERIES 2008-1 SEGREGATED PORTFOLIO, TRADEWINDS II CDO SERIES 2006-1 LLC, TRADEWINDS II CDO SPC, FOR THE ACCOUNT OF THE SERIES 2006-1 SEGREGATED PORTFOLIO, WHITE MARLIN CDO 2007-1, CORP., WHITE MARLIN CDO 2007-1, LTD.,

Issuer Defendants.

x

**NOTICE OF DISMISSAL OF AIRLIE LCDO II (PEBBLE CREEK 2007-1), LTD.,
AIRLIE LCDO II (PEBBLE CREEK 2007-1), CORP., AND
U. S. BANK NATIONAL ASSOCIATION AS TRUSTEE FOR THE
AIRLIE II (PEBBLE CREEK 2007-1) TRANSACTION**

PLEASE TAKE NOTICE that Lehman Brothers Holdings Inc., as Plan Administrator under the Modified Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and Its Affiliated Debtors, on behalf of Lehman Brothers Special Financing Inc. (“LBSF”), pursuant to Rule 41(a)(1)(A)(i) of the Federal Rules of Civil Procedure made applicable to adversary cases by Rule 7041 of the Federal Rules of Bankruptcy Procedure, hereby dismisses Airlie LCDO II (Pebble Creek 2007-1), Ltd., Airlie LCDO II (Pebble Creek 2007-1), Corp. (together with Airlie LCDO II (Pebble Creek 2007-1), Ltd., the “Airlie II (Pebble Creek 2007-1) Issuers”) and solely in its capacity as trustee for the Airlie II (Pebble Creek 2007-1) Transaction (as defined below), U.S. Bank National Association (the “Trustee,” and together with the Airlie II (Pebble Creek 2007-1) Issuers, “Defendants”), from the complaint in the above-captioned adversary proceeding (the “Adversary Proceeding”) with prejudice.

Pursuant to an ISDA Master Agreement dated as of January 30, 2007, LBSF and the Airlie II (Pebble Creek 2007-1) Issuers entered into a credit default swap transaction (the “Airlie II (Pebble Creek 2007-1) Transaction”). This notice of dismissal by LBSF is made as a matter of right because Defendants have not as of this date filed an answer or a motion for summary judgment. Accordingly, LBSF’s claims in the Adversary Proceeding (i) against the Airlie II (Pebble Creek 2007-1) Issuers solely with respect to the Airlie II (Pebble Creek 2007-1) Transaction and (ii) against the Trustee solely as trustee with respect to the Airlie II (Pebble Creek 2007-1) Transaction are hereby dismissed with prejudice. For the avoidance of doubt, nothing herein shall be construed as a dismissal of the causes of action in the Adversary Proceeding that have been asserted against the Airlie II (Pebble Creek 2007-1) Issuers or the Trustee that are not related to or in respect of the Airlie II (Pebble Creek 2007-1) Transaction,

and nothing herein shall alter, waive, diminish, or impair any rights, claims, interests, or defenses of the parties with regard to such other causes of action or in connection with any other transactions.

Dated: December 11, 2012
Houston, Texas

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